



AGFIRST
FARM CREDIT BANK

1401 Hampton Street | PO Box 1499 | Columbia, SC 29202-1499 | 803.799.5000 | agfirst.com

February 27, 2012

Mr. Gary K. Van Meter
Director
Office of Regulatory Policy
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090
Via email to reg-comm@fca.gov

RE: Proposed Rule on Liquidity and Funding – RIN 3052-AC54

Dear Mr. Van Meter:

AgFirst Farm Credit Bank (AgFirst) appreciates the opportunity to comment on the Farm Credit Administration's (FCA or Agency) Proposed Rule on Liquidity and Funding – RIN 3052-AC54. Additionally, we also fully support the more extensive comments made by the Farm Credit Council on the Farm Credit System's behalf.

AgFirst understands the necessity of FCA's objective for proposing this rule in light of the financial crisis that peaked in 2008. However, as is prevalent in the recently released proposed investment regulations and these proposed liquidity regulations, the Agency appears to be relying heavily on a prescriptive and detailed approach for AgFirst's board of directors (board) to develop the policies deemed appropriate. We believe a more effective approach to regulatory rulemaking is one based on sound principals that should allow our board the discretion to develop appropriate policy directives to be developed into sound policies by senior management. Senior management should also be responsible for ensuring the new policies are effective and achieve the intended results.

We appreciate the Agency's effort in this process to date and hope you will thoughtfully consider our suggestion of a more principals based approach and less reliance on a prescriptive and detailed directive. Please do not hesitate to contact us if you have any questions regarding our comments.

Sincerely,

Charl Butler
Chief Financial Officer